



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor  
Ted Stewart  
Executive Director  
James W. Carter  
Division Director

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340  
801-359-3940 (Fax)  
801-538-5319 (TDD)

February 23, 1994

TO: James W. Carter, Director

THRU: Lowell P. Braxton, Associate Director, Mining *LSB*

THRU: D. Wayne Hedberg, Minerals Permit Supervisor *DWH*

FROM: Anthony A. Gallegos, Reclamation Engineer *aaG*

RE: Reclamation Surety Updates, Umetco Minerals Corporation, Rim-Columbus Mine M/037/006, Pandora Mine M/037/012, Calliham Mine M/037/023, Velvet Mine M/037/040, San Juan County, Utah

Please find enclosed a reclamation surety package for each of the four operations listed above. These sureties are submitted for your acceptance as a follow up to the December 10, 1993 memo from Holland Shepherd (original copy attached). According to that memo, these sureties are to be handled at the Division Director/Board Chairman level. Please route these forms for the appropriate signatures as flagged and return them to my attention.

enclosures  
attachment

UMETCO-2.MEM

2/23/94  
NO  
MUST BE PRESENTED  
AT BOARD BRIEFING.  
(Jim Carter and Dave Lauriski)  
*aaG*





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December 10, 1993

TO: James W. Carter, Director *see response below*  
THRU: Lowell P. Braxton, Associate Director, Mining *L.P.B.*  
THRU: D. Wayne Hedberg, Permit Supervisor *DWH*  
FROM: Holland W. Shepherd, Senior Reclamation Specialist *HWS*  
SUBJECT: Reclamation Surety Updates, Pandora, Calliham, Velvet and Rim-Columbus, Umetco Minerals Corporation, M/037/012, M/037/023, M/037/040, M/037/006, San Juan County, Utah

Umetco Minerals Corporation recently submitted several surety updates for the following uranium mine properties:

1.	Pandora	M/037/012	(\$67,500)
2.	Calliham	M/037/023	(\$34,800)
3.	Velvet	M/037/040	(\$63,900)
4.	Rim-Columbus	M/037/006	(\$37,200)

The operator submitted these new sureties because of a Corporate decision to change surety carriers (Seaboard Surety Company to General Insurance Company of America). After receiving notification of the proposed change in surety companies, we asked that the operator submit updated/escalated surety amounts to correspond to 1998 dollars.

For the Calliham, Velvet, and Rim-Columbus, the operator has submitted amended sureties and Reclamation Contract forms. The Division returned the old sureties to the operator October 19, 1993, with a letter under Jim Carter's signature. The operator has requested that we also release the old surety for the Pandora (see attached November 18, 1993 letter). The Pandora request came as a separate request from the other three, so has not been acted on yet.

The main question being asked, is whether or not we need to go through the Board to accept these new escalated sureties? The form hasn't changed, but the amount has received our standard 5-year escalation. The base amount (original amount estimated) remains the same. Nothing else has changed. The mines remain inactive and in temporary suspension. Would these minor amendments to the reclamation surety constitute significant enough changes to trigger the requirement of formal Board approval, or can we just solicit signatures from Jim and Dave Laurisky? Also, can we go ahead and release the old Pandora bond at this time, since we do have a replacement surety in effect? Thank you for your time and consideration of this request.

jb  
Attachment  
UMETCO.SUR

*Jim: I suggest we try to do this  
at your head with Commissioner, 12/13  
Lowell: I agree with you  
in that manner. JCS*